GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

STARRED QUESTION NO:671
ANSWERED ON:12.05.2005
ANTI-ADULTERATION CELL
Chinta Mohan Dr. ;Nahata Smt. P. Jaya Prada

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Anti-Adulteration Cell working in the Ministry has been abolished;

(b) if so, the reasons therefor;

(c) whether in its place the Government has set up or proposes to set up an alternative body to check adulteration in petroleum products;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

Answer

MINISTER OF PETROLEUM & NATURAL GAS & PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR)

(a) to (e) : A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF THE LOK SABHA STARRED QUESTION NO.671 BY SHRIMATI JAYAPRADA & DR. CHINTA MOHAN TO BE ANSWERED ON 12TH MAY, 2005 REGARDING ANTI-ADULTERATION CELL.

(a) & (b) : The Anti-Adulteration Cell (AAC), was set up in March 2001 under the Ministry of Petroleum & Natural Gas (MOP&NG). It was found to be ineffective in its functioning on account of the possible involvement of some of its officers who are under investigation by the Central Bureau of Investigation (CBI) for undesirable activities. Therefore, a one-man committee under the chairmanship of Additional Secretary, Ministry of Petroleum & Natural Gas was set up in April, 2004 to conduct an extensive review of the working of the AAC. The report showed that the AAC, with its existing structure and functions, could not play a meaningful role in the Ministry's efforts to curb the menace of adulteration. Accordingly, the Cell was wound up in July 2004.

(c) to (e) : There is no proposal to set up an alternative body to check adulteration in petroleum products, as the following mechanisms already exist in this regard:-

(1) Under the Control Orders issued by the Government to prevent fuel adulteration, under the Essential Commodities Act, 1955, State Governments are empowered to take action against those indulging in adulteration. Government have taken up this matter with all the State Governments/ Union Territory Administrations to step up inspections/ surprise checks to ensure that adulteration related activities are minimized and to exercise vigil/conduct inspections at various private firms, factories, processing units, etc., under their jurisdictions so as to identify the perpetrators of adulteration and take stringent action against them within the available legal framework.

(2) The Public Sector Oil Marketing Companies (OMCs) undertake regular and surprise inspections of Retail Outlets and also take action under Marketing Discipline Guidelines (MDG) and Dealership Agreements against those indulging in adulteration and malpractices. MDG provide for penalty of termination of dealership in cases of adulteration being established.

In addition to these measures, Government/OMCs have taken the following major steps to contain adulteration :

(i) As advised by the Government, Oil Marketing Companies (OMCs) have created a separate wing to report to a Director other than Director(Marketing), which will oversee and monitor all activities and operations to curb adulteration and specify norms and guidelines in this regard.

(ii) Keeping in view the misuse/diversion of SKO for adulteration, the import of SKO by private parties has been canalized through OMCs.

(iii) OMCs have introduced new tamper proof tank-truck locking systems to prevent en route adulteration by transporters.

(iv) IT solutions like monitoring movement of tank trucks through Global Positioning System (GPS) and monitoring level of fuel tanks in Retail Outlets through retail automation are being introduced.

(v) Branding of Retail Outlets and third party certification of Retail Outlets have been initiated by the OMCs.

(vi) A pilot project covering 10% of blocks in the country has been recently approved by the Government for strengthening the distribution network of PDS kerosene with a view to working towards ensuring that this product is made available to the targeted consumers and is not diverted for adulteration. The Scheme proposes setting up wholesale storage facilities at block level, with storage tanks and calibrated dispensing units; creation of 5-10 sub-wholesale points within the block to facilitate deliveries to retail outlets; and involving Panchayati Raj Institutions in monitoring the implementation of the scheme. The details are being worked out.

Measures to check adulteration are kept under continuous review of the Government.